

The capital of the bank was originally fixed at 6,000,000 rubles (\$3,090,000), but it was raised by successive stages until it stood on January 1, 1908, at 24,088,200 rubles (\$12,405,000), without including reserve funds of 9,176,514 rubles. The portion of the capital subscribed by the Chinese Government was 5,000,000 Kuping taels, which worked out at 6,658,200 rubles. The functions of the bank included "the issue of bank notes in taels, dollars, pounds sterling, and in other currency of the country, for an amount not to exceed the paid-up capital and the reserves of the bank." A cash reserve of one-third the amount of notes outstanding was the principal restriction upon the circulation. The actual circulation at the close of 1907 was far within the legal limits, being only 897,476 rubles (\$462,000). The bank aided in putting Russian currency in circulation in Manchuria by accepting it at reasonable rates of exchange when disbursed by Russian officers for supplies.¹ The war of 1904 compelled the abandonment of the Japanese branches, but after the war some of them were re-established. The total resources of the Russo-Chinese Bank on December 31, 1907, were 288,176,151 rubles (\$148,400,000), of which cash and bullion constituted 15,222,327 rubles; bills, 73,513,291 rubles; loans, 40,784,849 rubles; obligations from correspondents, 60,856,061 rubles, and from other branches, 81,427,685 rubles.²

The Yokohama Specie Bank of Japan, while not authorized to issue notes at home, was granted authority by an ordinance of September, 1906, to issue them in Kwantung province and in China.³ Notes based upon Japanese silver were issued in Manchuria after the Japanese invasion by the Yokohama Specie Bank and were still outstanding late in 1907 to the amount of 1,189,624 yen (\$590,000).*

¹ Dubois, 102.

² *Directors' Report of June 11, 1908*, furnished through the courtesy of Mr. Walter Kutzleb, New York representative of the bank.

³ *Economic Annual of Japan, 1908*, 142. These notes were based on Mexican dollars.

⁴ *Annual Report of the Director of the Mint, 1907*, 218.